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Washington Report

Irvin P. Schloss, Editor

American Foundation for the Blind

February 1970

CONGRESSIONAL ACTION

The first session of the 91st Congress was adjourned on December 23 after completing action on H.R. 13270, the Tax Reform Act of 1969, and sending it to the President. Although this was one of the longest sessions in history, comparatively little major legislation was enacted into law.

Pending at adjournment was H.R. 13111, the bill making appropriations for the Departments of Labor and Health, Education, and Welfare for fiscal 1970, which was purposely held back to avoid the possibility of a pocket veto. Thus, the departments affected will continue to spend money on the basis of a continuing resolution. In addition, H.R. 514, the bill extending and improving the Elementary and Secondary Education Act, was ordered reported by the Senate Committee on Labor and Public Welfare; but the report was not scheduled to be filed until after the second session convened on January 19.

Although a 15 percent across-the-board increase for OASDI beneficiaries was included in the tax reform bill, the House Committee on Ways and Means left the bulk of its work on public welfare and other improvements in the Social Security Act for the second session.

Tax Reform

Public Law 91-172, the Tax Reform Act of 1969, was approved by the President on December 30. In addition to increasing the personal exemption from \$600 to \$750 in steps over a three-year period, the new law made a number of changes affecting private foundations and tax exempt organizations as follows:

1. Defines a private foundation generally as an organization not broadly supported by the public. Most voluntary organizations serving blind persons which receive broad public support from contributions and government grants would not be considered private foundations.
2. Defines a private operating foundation as a foundation whose income, for the most part, is spent directly on the conduct of activities representing the purpose or function for which the foundation is organized and operated.
3. Imposes an annual tax of four percent on the next investment income of private foundations.
4. Prohibits business operations through which foundation officials benefit substantially from the operation of the foundation.
5. Imposes a tax on undistributed income of private foundations.
6. Restricts the amount of voting stock a foundation may hold in any business corporation.
7. Prohibits activity by private foundations to influence specific elections and specific legislation.
8. Requires all exempt organizations except churches and church-related groups to file an annual information return except where the Secretary of the Treasury determines that this is unnecessary. Unrelated business income returns must be filed by churches which engage in such activity.
9. Extends the unrelated business income tax to virtually all tax exempt organizations.
10. Increases the allowable deduction for charitable contributions to 50 percent of adjusted gross income. Gifts of appreciated property may be deducted at the 50 percent rate if the taxpayer pays the capital gains tax on the appreciation.
11. Authorizes deduction of contributions to private foundations up to the 50 percent level if the private foundation distributes such contributions to public charities or private operating foundations within 2 1/2 months of the year the contributions are made.
12. Repeals the unlimited charitable deduction after 1974.

Many of the provisions concerning gifts of various types of appreciated property and charitable trusts are complex. Those to whom these provisions might be of specific interest should consult specialists in tax law.

In addition to increasing the personal exemption, Public Law 91-172 also increases the minimum standard deduction from ten percent of adjusted gross income with a maximum of \$1000 to 15 percent with a maximum of \$2000 over a three-year period. The new law also removes low income persons from the tax rolls by substituting an increased low income allowance for the present minimum standard deduction.

Although most of the public assistance provisions of the Social Security Act will be considered in separate legislation during the second session, the new tax law makes several changes designed to assure individuals receiving both public assistance and OASDI benefits of an increase. Each state is required (in determining the need of its public assistance recipients) to disregard any retroactive payment of the OASDI benefit increase provided by the law for January and February 1970, which is expected to be paid in April. This requirement would be limited to the situation created by the law and would not apply to any retroactive payments which may result from future laws. Each state is also required (in determining the need of its public assistance recipients) to assure that every recipient of aid or assistance under any of its adult public assistance programs who also receives an OASDI benefit which is increased under the bill, will realize an increase in the total of his public assistance and OASDI benefit payments equal to \$4 a month (or the amount of the increase in his OASDI benefit, if less). This should be so whether such increase in his total payment is brought about by disregarding a portion of his OASDI benefit or otherwise.

Education

Before adjournment of the first session, the Senate Committee on Labor and Public Welfare ordered H.R. 514, the Elementary and Secondary Education Act Amendments of 1969, reported with numerous changes from the House-passed version. The report was scheduled to be filed after the second session reconvened.

As ordered reported, H.R. 514 becomes a comprehensive elementary and secondary education bill consolidating programs previously enacted in several different laws. It generally extends programs and authorizations of appropriations for four years through June 30, 1974. It includes improvements in Title I of the Elementary and Secondary Education Act (education of disadvantaged children), Title II (library resources, textbooks, and other printed and published materials), Title III (supplementary educational services and centers), Title V (strengthening state and local educational agencies). In addition, H.R. 514 extends and improves bilingual education, adult education, and vocational education programs.

Title VI of H.R. 514 consolidates the various programs designed to assist in the education of handicapped children. Part A adds the definition of children with specific learning disabilities to those served in the program and reenacts establishment of the Bureau for the Education and Training of the Handicapped in the Office of Education.

Part B extends the basic program of grants to the states for the education of handicapped children for four years with authorizations of appropriations of \$200 million for fiscal 1971, \$210 million for fiscal 1972, \$220 million

for fiscal 1973, and \$230 million for fiscal 1974. State plan provisions require that proposed state plans must be published prior to submission to the Commissioner of Education in order to afford a reasonable opportunity for interested persons to comment.

Part C provides for regional resource centers; centers and services for deaf-blind children; early education; and research, innovation, training, and dissemination activities in connection with centers and services for the handicapped. The authorizations of appropriations for this part are \$36.5 million for fiscal 1971, \$51.5 million for fiscal 1972, \$66.5 million for fiscal 1973, and \$88 million for fiscal 1974.

Part D covers grants to institutions of higher education and to state departments of education for training of teachers and other personnel needed in educational programs for handicapped children, including teachers of physical education and recreation workers. It also covers fellowships and traineeships to individuals and dissemination of information about training programs as well as recruitment of personnel. The authorization of appropriations is \$69.5 million for fiscal 1971, \$87 million for fiscal 1972, \$103.5 million for fiscal 1973, and \$120.5 million for fiscal 1974.

Part E covers research and demonstration projects in the education of handicapped children, including physical education and recreation. The authorization of appropriations is \$27 million for fiscal 1971, \$35.5 million for fiscal 1972, \$45 million for fiscal 1973, and \$53.5 million for fiscal 1974.

The new Part F covers instructional media for the handicapped, including the expanded captioned films for the deaf program (presently P.L. 85-905 as amended) and the new authorization for a National Center for Educational Media and Materials for the Handicapped enacted early in 1969 as Public Law 91-61. The authorization of appropriations is \$12.5 million for fiscal 1971, \$15 million for fiscal 1972, \$20 million for fiscal 1973, \$30 million for fiscal 1974 and each succeeding fiscal year thereafter.

Part G provides for a new program for research, training of personnel and operation of model centers for children with specific learning disabilities. The authorization of appropriations is \$12 million for fiscal 1970, \$20 million for fiscal 1971, \$31 million for fiscal 1972-74.

The total authorization of appropriations for these programs in the pending bill for fiscal 1971 is \$360.5 million. The authorization of appropriations for programs for the education of handicapped children under present laws totals \$314 million for fiscal 1970. The appropriation for these programs approved by the conferees for fiscal 1970 but not yet passed by the Congress is \$100 million.

Appropriations

Public Law 91-145, making appropriations for the Legislative Branch for fiscal 1970, includes \$6,997,000 for the Books for the Blind and Physically Handicapped program administered by the Library of Congress. This is \$329,000 more than the appropriation for fiscal 1969.

H.R. 13111, the appropriations bill for fiscal 1970 for the Departments of Labor and HEW and the Office of Economic Opportunity, was not sent to the President before Congress adjourned on December 23. The House of Representatives had approved the conference report reconciling differences between the House and Senate passed versions, but the Senate purposely withheld its approval in order to avoid a pocket veto during the sine die adjournment. Details of the bill on items of interest will be covered in the next issue. However, it should be noted that appropriations for grants to the states for vocational rehabilitation of the disabled were cut by \$35 million to \$436 million from the amount requested by the administration.

Toy Safety

On November 6, the President signed Public Law 91-113, the Child Protection and Toy Safety Act of 1969. This law amends the Federal Hazardous Substances Act by authorizing the Secretary of Health, Education, and Welfare to ban the sale of any toy or other article which he determines to be an electrical, mechanical, or thermal hazard with normal use or abuse. The act lists the guidelines the Secretary will use in determining that articles are electrical, mechanical, or thermal hazards. The detailed listing of mechanical hazards if adequately implemented should minimize blindness among children as a result of accidents from toys.

The law also adds the term "combustible" following the term "flammable" in the Federal Hazardous Substance Act and defines "combustible" as a substance having a flash point between 80 degrees Fahrenheit and 150 degrees Fahrenheit.

EXECUTIVE BRANCH NEWS

SRS Chief Resigns

Mary E. Switzer, administrator of HEW's Social and Rehabilitation Service since August, 1967, has submitted her resignation effective early in 1970. She will head the Washington office of the World Rehabilitation Fund when her resignation becomes effective.

A veteran of 48 years of government service, Miss Switzer began her long career with the federal government shortly after her graduation from Radcliffe College in 1922 when she joined the Treasury Department. In the years since then, she has progressed steadily to her present

position in which she has the largest administrative responsibility of any woman in government.

As administrator of the Social and Rehabilitation Service, she is in charge of programs totalling more than \$8 billion annually in Federal funds and which affect the lives of millions of Americans from infants to the elderly.

For nearly 20 years, she has directed the Federal-State program of rehabilitation of the disabled, bringing the program from a modest effort to the achievement, in 1968, of a long-sought goal of over 200,000 people rehabilitated in one year's time.

In 1934, Miss Switzer became assistant to the assistant secretary of the Treasury who supervised the Public Health Service. In 1939, when the Public Health Service was transferred to the Federal Security Agency, forerunner of HEW, Miss Switzer became assistant to the administrator. During the war, she managed the Procurement and Assignment Services for Physicians, Dentists, Sanitary Engineers and Nurses. For her work she received the President's Certificate of Merit, the first of many honors.

In 1950, Miss Switzer became Director of the Office of Vocational Rehabilitation. She was made Commissioner of the Vocational Rehabilitation Administration in 1963 as part of an HEW reorganization which also created the Welfare Administration.



Miss Switzer was elected Vice President of the World Rehabilitation Fund by the Fund's Board of Directors on December 2, 1969. At that time, the Board asked her to actively assist in the Fund's efforts to carry out its growing world-wide activities in rehabilitation. Miss Switzer has been a board member of the World Rehabilitation Fund for many years.

In her new capacity of Vice President, she will be in charge of an office to be opened in Washington D.C., in the near future. The office will be responsible for WRF's relationship with the Federal Government, with national and international voluntary agencies, and international health agencies. She will also provide direct consultation services on behalf of WRF to foreign governments and national and international voluntary agencies.

Miss Switzer has received numerous awards, among them the Albert Lasker award, the National Civil Service award, the Shotwell Distinguished Service award of the American Association of Workers for the Blind, and the Migel Medal of the American Foundation for the Blind. Sixteen colleges have given her honorary degrees. She is the first woman to serve on the board of directors of Georgetown University, and the first woman to be appointed trustee of Assumption College.

Her efforts on behalf of the international rehabilitation community are well known. She has represented the

United States at many international health and rehabilitation meetings, including the one that developed the constitution for the World Health Organization.

She created the international rehabilitation research program, which was officially established in 1960, and helped work out the idea of using counterpart foreign currencies in the program.

In September 1968, she became Vice Chairman of the U.S. delegation to the First U.N. Conference of Ministers responsible for Social Welfare, and was elected as Vice President for North America and Member of the Council of the International Society for Rehabilitation of the Disabled in that same month.

"I remain committed to HEW's mission," Miss Switzer said. "I have told Secretary Finch I will continue to assist in the accomplishment of that mission in any way I can."

In accepting Miss Switzer's resignation, Secretary Finch said, "I am delighted to learn of your election as vice president of the World Rehabilitation Fund. I know you will give this work the same devotion and zeal that has put you in the forefront of the Federal Government's efforts at human betterment."

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April 1970

CONGRESSIONAL ACTION

Education

The Elementary and Secondary Education Act Amendments of 1969, H.R. 514, was passed by the Senate on February 19, with authorizations of appropriations totaling some \$36 billion for the four-year extension of programs contained in the bill. As passed, H.R. 514 is a comprehensive elementary and secondary education bill consolidating programs previously enacted in several laws.

The bill extends through June 30, 1974, federal assistance programs for education of disadvantaged children; library resources, textbooks, and other printed and published materials; supplementary educational services and centers; strengthening state and local educational agencies; bilingual education; adult education; vocational education; and education of handicapped children. Title VI of H.R. 514 consolidates the various programs designed to assist in the education of handicapped children. See *WR*, February 1970.

Two amendments adopted on the Senate floor are of special interest. One of these, offered by Senator Edmund Muskie (D-Maine), adds a new section to the bill amending the 1879 Act authorizing a federal appropriation to the American Printing House for the Blind for books and educational aids for blind children to permit these aids to be distributed for the use of children in private, non-profit schools as well as in public schools. As a result, blind children will be able to receive books and other educational aids distributed by APH under the 1879 law regardless of the type of school they are attending. Ownership of these books and aids supplied to children in private schools will be vested in the state educational agency.

The other amendment of interest was offered by Senator Charles Goodell (R-N.Y.). It amends the new provision in Title VI of H.R. 514 for children with specific learning disabilities to provide for dissemination of information about techniques and methods developed in federally supported model centers for these children.

The bill must now be sent to a conference committee made up of members of the House Committee on

Education and Labor and the Senate Committee on Labor and Public Welfare to reconcile differences between the versions passed by each house. In addition to the broader coverage of programs in the Senate version, a major difference is the extension of programs for two years as passed by the House and four years as passed by the Senate. The Administration supports a two year extension, which would make the expiration June 30, 1972.

Appropriations

As a result of the President's veto late in January of H.R. 13111, the \$19.8 billion appropriations bill for fiscal 1970 for the Departments of Labor and Health, Education, and Welfare and the Office of Economic Opportunity, a history making delay in congressional action on appropriations for these three agencies was further compounded. With seven months of the fiscal year elapsed, the Congress acted in February on a new appropriations bill, H.R. 15931, designed to meet some of the President's objections to the vetoed bill. It should be noted, however, that the continuing resolution under which these agencies received federal appropriations pending enactment of the regular appropriations bill authorized expenditures since October 31, 1969, for the Office of Education at the \$1.1 billion higher level objected to by the President.

The House of Representatives passed H.R. 15931 on February 19, and the Senate completed action on the bill on February 28 without changing any of the amounts appropriated by the House. An amendment offered on the Senate floor by Senator Norris Cotton (R-N.H.) would give the President discretionary authority not to spend two percent of the total \$19.4 billion appropriated in the bill with a limit of 15 percent on the amount he could cut from any single item. Senator Cotton indicated that the two percent discretionary authority would make the bill acceptable to the President. The bill was sent to the President on March 4 and signed by him on March 6.

In the meantime, the budget for fiscal 1971 has been submitted to the Congress and is being worked on by the appropriations committees. Items of interest in the fiscal 1970 appropriations bills and the 1971 budget appear in the table beginning on page 2. It should be noted that the approximately \$400 million reduction made in H.R. 15931 from H.R. 13111 did not affect these items.

	1969 actual	1970 request	H.R. 13111 (vetoed) (in millions)	H.R. 15931 passed	1971 requested
LABOR					
President's Committee on Employment of the Handicapped	\$.518	\$.54	\$.54	\$.54	\$.614
HEALTH, EDUCATION, AND WELFARE					
Office of Education					
Library Services and Construction Act, Title IV A (includes schools for the handicapped)	2.094	2.094	2.094	2.094	3.373*
LSCA, Title IV B (library service for the handicapped) * appropriation combined for fiscal 1971	1.334	1.334	1.334	1.334	3.373*
Educational improvement for the handicapped	79.795	85.85	100.0	100.0	95.0
Grants to the states	29.25	29.25	29.19	29.19	31.9
Regional resource centers	.5	2.0	3.0	3.0	3.55
Deaf blind centers	1.0	2.0	4.0	4.0	2.5
Media services	4.75	4.75	6.5	6.5	6.5
Teacher education and recruitment	30.25	30.5	36.61	36.61	32.1
Research and demonstration	13.1	14.35	16.7	16.7	14.45
Preschool programs	.945	3.0	4.0	4.0	4.0
Public Health Service					
National Eye Institute	22.24	23.685	24.342	24.342	25.686
National Institute of Child Health and Human Development	72.59	75.852	76.949	76.949	93.303
Social and Rehabilitation Service					
Grants to states for public assistance * includes grants for maintenance, medical assistance, social services, and administration	\$6,416.546	\$7,351.551	\$7,351.551	\$7,351.551	\$8,588.870*
Work incentive program	117.5	129.64	120.0	120.0	170.0
Grants for rehabilitation services and facilities	368.99	499.783	464.783	464.783	538.85
Development of programs for the aging	23.0	28.36	28.36	28.36	32.0

	1969 actual	1970 request	H.R. 13111 (vetoed) (in millions)	H.R. 15931 passed	1971 requested
Rehabilitation research and training	63.4	59.4	59.4	59.4	81.435
National Center for Deaf-Blind Youths and Adults	.6	.6	.6	.6	3.1
Maternal and child health	209.2	228.5	228.5	228.5	267.3
Child welfare	56.2	56.8	56.6	56.6	63.080
Cooperative research or demonstration projects	3.15	11.5	11.5	11.5	*
* 1971 request included in "Rehabilitation research and training."					
Research and training (foreign currency)	5.0	2.0	2.0	2.0	7.0
SPECIAL INSTITUTIONS					
American Printing House for the Blind	1.34	1.404	1.404	1.404	1.476
Office of Child Development	—	—	—	—	11.455
RELATED AGENCIES					
Office of Economic Opportunity	1,948.0	2,048.0	1,948.0	1,948.0	2,080.2

Income Tax Exemption

In the February 1970 *Washington Report*, the increased individual income tax exemptions provided for in the Tax Reform Act of 1969, Public 91-172, were mentioned. These are \$625 for calendar 1970; \$650 for 1971; \$700 for 1972; and \$750 for 1973 and thereafter.

These new exemptions will apply to the personal exemptions a taxpayer may claim for himself and each dependent. It should be noted that the new amounts will also apply to the additional exemptions for blindness and for those over 65.

Wagner-O'Day Act Amendments

On February 10, Senator Jacob K. Javits (R-N.Y.), with Senators Jennings Randolph (D-W.Va.) and Warren Magnuson (D-Wash.) as co-sponsors, introduced legislation to amend the Wagner-O'Day Act in order to expand the program under which the Federal government purchases products made in workshops for the blind.

The bill, S. 3425 extends to the severely handicapped a priority in the purchase by the Federal government of products made by them but assures the blind of preference in the placement of government orders. It also provides new authority for the purchase of services by the Federal government from workshops for the blind and workshops for the severely handicapped and assures the blind a preference in the purchase of services until June 30, 1975.

In addition, the bill supplants the existing Presidentially-appointed Committee on Purchase of Blind Made Products with the Committee for Purchase of Products and Services of the Blind and other Severely Handicapped. It also updates the membership of the Committee, which is charged with the responsibility of determining the fair market value of products and services made by the blind and severely handicapped, to include representatives of Federal agencies which were not in existence when the Wagner-O'Day Act became law in 1938. These are the General Services Administration, Department of Defense, Department of the Air Force, and Department of Health, Education, and Welfare.

As in the existing law, provision is made for the use of nonprofit agencies to facilitate the placement of government orders with workshops. National Industries for the Blind has served this function for the blind since the beginning of the program in 1938.

The new legislation retains for agencies of the Federal government first priority in the purchase of products and services. These agencies would primarily be Federal Prison Industries and some Department of Defense facilities. Second priority in the purchase of products would continue to be given to workshops for the blind and to such shops for the purchase of services for a period of five years. Third priority in the purchase of products and services by the Federal government would be given to workshops for the severely handicapped.

Two bills identical to S. 3425 have been introduced in the House of Representatives. These are H.R. 16062 and H.R. 16099, both with Rep. Craig Hosmer (R-Calif.) as principal sponsor and each with a number of different co-sponsors. The Senate bill has been referred to the Committee on Commerce, while the House bills have been referred to the Committee on Government Operations. Hearings have not yet been scheduled.

Unemployment Compensation

The House of Representatives on November 13 passed H.R. 14705, a bill extending and improving the federal-state unemployment compensation program. The Senate Committee on Finance completed hearings on the bill in February and was scheduled to begin executive consideration in March.

Of particular interest to readers is mandatory coverage of employees of nonprofit organizations, state hospitals, and institutions of higher education for unemployment compensation benefits provided that they employ four persons for each of 20 weeks in a calendar year. Excluded from coverage are churches, religious organizations, clergymen, employees of primary and secondary schools, physically and mentally handicapped persons who are trainees or workers in rehabilitation facilities or workshops, and individuals on government-assisted work release or training programs. Also excluded are employees of institutions of higher education who are instructors, research personnel, or principal administrators.

The employers covered by this amendment would have the option of paying regular state unemployment tax or reimbursing the state unemployment account for compensation paid to their former employees.

The bill also provides for an extended federal-state unemployment compensation program to pay benefits to

workers who exhaust their basic benefits during periods of high unemployment. The program would be financed jointly, 50-50, from state and federal unemployment tax revenues and would provide workers with up to 13 weeks of additional unemployment benefits over their basic entitlement.

The unemployment tax contribution by employers would be 3.2 percent of taxable payroll. The taxable payroll base would increase from \$3,000 for each employee to \$4,200 effective January 1, 1972.

During the Finance Committee hearings, representatives of the American Council of the Blind and the National Federation of the Blind advocated covering handicapped workers in rehabilitation facilities and sheltered workshops for unemployment compensation benefits.

"It is our belief," said John F. Nagle, chief, Washington office of NFB, "that handicapped workers employed in sheltered workshops deserve the right, for they certainly have earned the right, to be treated as other workers when they are confronted by the catastrophe of unemployment."

"We plead with this committee and the Congress to recognize that unemployment is a catastrophe, whether workers are physically fit or physically impaired, whether they work in competitive business and industry or in sheltered workshops."

Government Funding Simplification

The House of Representatives on December 1, 1969, passed H.R. 14517, the Joint Funding Simplification Act of 1969. This "clean" bill was introduced by Rep. John A. Blatnik (D-Minn.) and all the members of the Subcommittee on Executive and Legislative Reorganization of the House Committee on Government Operations. This is another in the series of bills aimed at consolidating and improving federal grant programs. In the words of the Committee report, the bill would do the following:

- "(1) Permit a single application for a project that draws upon 2 or more Federal grant programs;
- "(2) Authorize selection of a lead agency which will process the application and secure clearances with other agencies involved. The applicant in most cases should have to deal with only one agency.
- "(3) Enable an application to be approved by a single panel jointly constituted by the several agencies involved.
- "(4) Allow designation of a single managing agency to supervise the project, if approved.
- "(5) Allow under strict accountability, creation of a joint management fund contributed from several appropriation accounts to support joint projects.

"These authorities will be exercised under the supervision of the President.

"This legislation is experimental and temporary and expires three years from date of effectiveness. It makes no changes in Federal-non-Federal share ratios in any programs and is not intended to add to the direct or indirect cost of any program."

Welfare Reform

Rep. Wilbur D. Mills (D-Ark.), Chairman of the House Committee on Ways and Means, on March 5 introduced H.R. 16311, a "clean" bill incorporating Committee decisions on the Family Assistance Plan and other modifications in the welfare provisions of the Social Security Act contained in various bills on which hearings were held last fall. The bill was ordered favorably reported on the same day.

The bill was expected to be considered by the House of Representatives during the week of March 16 after this issue of the *Washington Report* goes to press. Passage by the House of Representatives is expected since the bill will be considered under a closed rule barring amendments from the floor.

In addition to establishing the new Family Assistance Plan (FAP) in lieu of the cash payments program for Aid to Families with Dependent Children under Title IV of the Social Security Act, H.R. 16311 repeals Titles I (Old Age Assistance), X (Aid to the Blind), and XIV (Aid to the Permanently and Totally Disabled). These are supplanted by a single mandatory combined program for federal financial aid to the states for public assistance for adults in these three categories under Title XVI of the Social Security Act.

However, the four state agencies for the blind in Delaware, Massachusetts, North Carolina, and Virginia with presently administered public assistance programs for the blind will be permitted to continue doing so under the mandatory Title XVI.

Under the new program, the states could not have (1) any duration of residence requirement, (2) length of citizenship requirement, (3) a requirement which would exclude aliens lawfully admitted for permanent residence who have resided in the United States continuously for five years immediately prior to application, or (4) relative's responsibility provisions other than for spouses or parents of recipients.

The states would be required to (1) provide a payment sufficient to bring an individual's total income up to at least \$110 a month, or, if higher, the standard now in effect; (2) follow the Secretary of HEW's definition of blindness and disability; (3) make applicable to the disabled the mandatory disregard of the first \$85 a month of earned income plus one-half of the remainder, now applicable to

the blind only; (4) make applicable to the aged on an optional basis the same earnings exemption (\$60 a month plus one-half) which applies under the FAP program; and (5) use the federal definition of allowable resources applicable to the FAP program (\$1,500 plus home, personal effects, and income producing property essential to the person's support).

The provision in the Tax Reform Act of 1969 requiring the states to pass along to adult assistance recipients \$4 of the Social Security benefit increase for only the months of April, May and June of 1970 would be continued indefinitely.

The federal government would pay 90 percent of the first \$65 of average payments made to eligible persons and 25 percent of the remainder up to a limit to be set by the Secretary. The federal government would also pay 50 percent of the administrative costs.

The states could continue to administer the adult programs, or the Secretary could enter into an agreement with a state under which the federal government would perform all or some of the functions involved in making payments under the program. In the latter case, the federal government would pay all administrative costs. The effective date is July 1, 1972.

The Family Assistance Plan, which would also become effective at the same time, substantially modifies the existing AFDC program to permit the working parent who has at least one dependent child to qualify for federal financial assistance. Under these provisions, a family would be entitled to receive \$500 a year for each parent and \$300 for each dependent child less excludable income and resources based on a formula which is designed to incorporate incentive to work. A family of four with no income would be eligible for a FAP payment of \$1,600.

EXECUTIVE BRANCH NEWS

HEW Secretary Robert H. Finch has announced the appointment of John D. Twiname, 38, as Administrator of the Social and Rehabilitation service, effective March 1. Twiname, of Wilmette, Illinois, has been serving as Deputy Administrator of SRS since April, 1969. He succeeds Mary E. Switzer who left government service at the end of February. The Department's programs of rehabilitation, welfare, Medicaid, and services to the aged, children and the disabled are administered by SRS.

Secretary Finch said, "As SRS Administrator, John will be responsible for some of the most important and relevant areas of concern facing this nation today; as Deputy Administrator he has amply demonstrated his ability to assume the leadership of these programs."

Prior to joining SRS, Twiname was marketing vice president of the American Hospital Supply Corporation, Evanston, Illinois. He also served as president of the board of the Chicago Business Industrial Project, an agency formed to bring together black leaders, businessmen, and labor leaders; as well as government and university officials, to focus on social problems.

A 1957 graduate of the Harvard Graduate School of Business Administration, Twiname received an A.B. degree from Cornell University in 1953. He served in the U.S. Army from 1953 to 1955. Twiname and his wife, Carolyn, have three daughters.

Secretary Finch has also announced the appointment of Dr. Charles C. Edwards as Assistant to Assistant Secretary for Health and Scientific Affairs, Dr. Roger O. Egeberg. In his new post, Dr. Edwards, 46, will work with Dr. Egeberg across the full spectrum of the Department's health and scientific activities.

Before assuming his new duties, Dr. Edwards was vice president and managing officer, Health and Medical Division, Booz, Allen, and Hamilton, Inc., in Chicago. Prior to that, Dr. Edwards was director, Division of Socioeconomic Activities, American Medical Association from 1963 to 1967, and was the AMA's assistant director for Medical Education and Hospitals in 1962 and 1963.

After five years in the private practice of surgery, from 1956 to 1961, Dr. Edwards spent a year as consultant to the Surgeon General, U.S. Public Health Service. A native of Kearney, Nebraska, he received his bachelor's and medical degrees from the University of Colorado and a master's degree at the University of Minnesota.

Dr. Edwards held a surgical fellowship at the Mayo Foundation (1950-1956), a teaching fellowship at the University of Minnesota (1949-1950), and interned at St. Mary's Hospital in Minneapolis (1948-1949).

Dr. Edwards is a Diplomate, American Board of Surgery; Fellow, American College of Surgeons; Fellow, American Public Health Association; and a member of the AMA, Illinois State Medical Society, and Cook County Medical Society. He holds medical licenses in Minnesota, Colorado, Iowa, and the District of Columbia.

The appointment of Sidney L. Gardner, a 28-year-old Californian, as Deputy Assistant Secretary for Community Development, has been announced. Secretary Finch said Gardner's appointment reflected the great importance he attached to urban and rural community planning.

Gardner joined HEW in March, 1969, as a special assistant to Assistant Secretary for Planning and Evaluation Lewis H. Butler. He was named Director of HEW's Center for Community Planning by Secretary Finch last May. Gardner will retain direction of the Center, an element of the Office of the Secretary charged with coordinating a broad range of community services and urban programs.

As Deputy Assistant Secretary and Center Director, Gardner will continue to develop HEW's input into the Model Cities program, and work in research, development, and planning activities affecting urban and rural areas.

Gardner has participated in federal, state, and local government affairs since 1963 when he was graduated from Occidental College in Los Angeles. He received a master's degree in public affairs from Princeton University's Woodrow Wilson School in 1965. While a graduate student at Princeton, he worked in the New Jersey office of the Office of Economic Opportunity.

From 1965 to 1967, Gardner was an assistant to New York City Mayor John V. Lindsay. He served on the Mayor's Model Cities Staff, as Executive Secretary to the Council on Poverty, and as Director of Social Planning for the city's three Model Neighborhoods.

The American Foundation for the Blind is considering the possibility of publishing the *Washington Report* in braille. In connection with this AFB would appreciate hearing, in writing, from all those who would be interested in a braille edition. Replies should be addressed to the publications division of AFB's New York Headquarters, 15 West 16th Street, New York, New York 10011.

Washington Report is published bimonthly by the American Foundation for the Blind to report Congressional activity on legislation affecting blind persons and those who work with blind persons, as well as the action of the federal agencies administering related programs. AFB national headquarters are at 15 West 16th Street, New York, N.Y. 10011, (212) 924-0420. A local office is maintained at 1660 L Street, N.W., Suite 213, Washington, D.C. 20036, (202) 293-1870. All material appearing herein may be quoted in whole or in part provided credit is given the source.



Washington Report

Irvin P. Schloss, Editor

American Foundation for the Blind

June 1970

CONGRESSIONAL ACTION

Education

On April 13, the President approved the Elementary and Secondary Education Act Amendments of 1970 as Public Law 91-230. The law extends various elementary and secondary education aid programs for an additional three years until June 30, 1973. It also consolidates as Title VI of the new law, the various federal laws designed to assist in the education of handicapped children, except for the 1879 Act authorizing a federal appropriation to the American Printing House for the Blind for books and educational aids for blind children. An amendment offered on the Senate floor by Senator Edmund Muskie (D-Maine) extending the benefits of the APH program to blind children in nonprofit private schools was retained in conference and is a part of the law. See February and April *WR* for further details.

In his education message to the Congress on March 3, the President made the following recommendations:

1. Legislation to establish a National Institute of Education in HEW to focus attention on research and dissemination of findings to improve the quality of education.
2. Legislation to extend the Public Broadcasting Corporation Act for three years.
3. Reactivation of the National Advisory Council on Education of Disadvantaged Children.
4. Creation by executive order of a President's Commission on School Finance.
5. Increased appropriations for remedial reading programs.
6. Establishment by HEW and OEO of a network of child development projects with \$52 million indicated for this purpose in fiscal 1971.

Unemployment Compensation

H.R. 14705, the Employment Security Amendments of 1970, was passed by the Senate on April 7 with amendments to the House-passed version. The bill as passed, covered employees of nonprofit organizations for unemployment compensation benefits including handicapped persons remuneratively employed in sheltered workshops as well as administrative, research, and teaching

personnel of institutions of higher education. Trainees in sheltered workshops would not be covered. The House version had specifically excluded these categories of employees.

Conferees who met on April 30 to reconcile differences between the House and Senate-passed versions agreed to cover university personnel as included by the Senate but removed handicapped workers remuneratively employed in sheltered workshops from coverage for unemployment compensation benefits.

The amendment to cover handicapped workers remuneratively employed in sheltered workshops was offered in executive session by Senator Paul J. Fannin (R-Ariz.) and accepted by the Finance Committee after testimony supporting this coverage by representatives of the National Federation of the Blind and the American Council of the Blind. Congressional sources indicate that opposition from workshops resulted in the Senate conferees receding from this amendment.

Under the bill, nonprofit organizations will have the option of paying regular state unemployment tax or reimbursing the state unemployment account for compensation paid to their former employees. It is likely that the conference report will be adopted by both Houses and sent to the President during the month of May.

Welfare Reform

The House of Representatives on April 16 passed H.R. 16311, the Family Assistance Act of 1970. In addition to establishing the new Family Assistance Plan (FAP) in lieu of the cash payments program for Aid to Families with Dependent Children under Title IV of the Social Security Act, the bill repeals Title I (Old Age Assistance), X (Aid to the Blind), and XIV (Aid to the Permanently and Totally Disabled). These are supplanted by a single mandatory combined program for federal financial aid to the states, for public assistance for adults in these three categories under Title XVI of the Social Security Act. See April 1970 *WR*.

The Senate Committee on Finance began hearings on April 29 with the Secretary of Health, Education, and Welfare, Robert H. Finch, and other departmental representatives as witnesses. As a result of questions raised by members of the Committee on the adequacy of the Family Assistance Plan, the Committee postponed further hearings

until HEW representatives could return with modifications designed to meet objections.

"It was the Committee's desire," said Senator Russell B. Long (D-La.), Chairman of the Finance Committee, in a press release, "that the Department of Health, Education, and Welfare, the Department of Labor, and other agencies of Government concerned with income maintenance programs, work during the next several days to devise an overall plan for welfare reform which would recognize the contributions made by other aid programs such as public housing, food stamps, rent supplements, and so on. It was also the view of the Committee that monetary incentives for able individuals to reduce or quit gainful employment in order to qualify for larger welfare benefits should be ended. Unfortunately, the Family Assistance Plan continued these disincentives to self-help."

It was anticipated that hearings will be resumed early in June.

Appropriations

H.R. 16915, the bill making appropriations for the Legislative Branch for fiscal 1971, was passed by the House of Representatives on April 13. The appropriation for the

Books for the Blind and Physically Handicapped program administered by the Library of Congress is \$7,598,000, the amount requested, which is \$601,000 more than the amount appropriated for fiscal 1970. The report of the House Committee on Appropriations indicates that the additional funds will provide for 15 new staff positions in addition to more braille and talking books and record players.

For the first time, the House Committee on Appropriations has separated appropriation items for the Office of Education from the general appropriations bill covering the Departments of Labor and Health, Education, and Welfare and the Office of Economic Opportunity. Delay resulting from controversy over education items and the President's veto of the Labor-HEW appropriations bill for fiscal 1970, prompted the Committee's earlier action on a separate bill this year.

As passed by the House of Representatives on April 14, H.R. 16916 appropriates \$4,100,000,000 for education programs for fiscal 1971. The bill appropriates \$105,000,000 for programs for the education of the handicapped, an amount \$10,000,000 more than the Administration's request. Items of special interest follow:

	1970 approved	1971 requested (in millions)	1971 Housed-passed
Library Services and Construction Act, Title IV A (includes schools for the handicapped)	\$ 2.094	\$ 3.373*	\$ 3.428*
LSCA, Title IV B (library service for the handicapped)	\$ 1.334	\$ 3.373*	\$ 3.428*
* appropriation combined			
Educational improvement of the handicapped	\$100.0	\$95.0	\$105.0
Grants to the states	\$ 29.19	\$31.9	\$ 35.0
Regional resource centers	\$ 3.0	\$ 3.55	\$ 3.55
Deaf Blind Centers	\$ 4.0	\$ 2.5	\$ 4.5
Media services	\$ 6.5	\$ 6.0	\$ 6.0
Teacher education and recruitment	\$ 36.61	\$31.6	\$ 33.1
Planning and evaluation	---	\$.5	\$.55
Research and demonstration	\$ 16.7	\$14.45	\$ 15.3
Preschool programs	\$ 4.0	\$ 4.0	\$ 7.0

It should be noted that the items in the table for fiscal 1970 were for programs for handicapped children each administratively reduced by 15 percent in accordance with discretionary authority granted to the President in the 1970 appropriations bill.

It should also be noted that 10 percent of the basic grants for vocational education are earmarked for the handicapped. This amount for fiscal 1971 is \$35.034 million.

Hearings on the Handicapped

S. 3425, the Wagner-O'Day amendments extending the program of government purchase from workshops for the blind to workshops employing other severely handicapped workers, has been re-referred from the Senate Committee on Commerce, to the Senate Committee on Labor and Public Welfare. As a consequence, the latter Committee has established a Special Subcommittee on the Handicapped to consider both S. 2461, the Randolph-Sheppard Vending Stand Act amendments, and S.3425.

The Special Subcommittee consists of Senators Jennings Randolph (D-W. Va.), chairman; Ralph Yarborough (D-Texas); Alan Cranston (D-Calif.); Jacob K. Javits (R-N.Y.); and Winston L. Prouty (R-Vt.). Hearings have been tentatively scheduled for the first week in June. Senators John Tower (R-Texas) and Vance Hartke (D-Ind.) have joined Senator Randolph and 49 members of the Senate as co-sponsors of S. 2461, while Senator Clinton Anderson (D-N.Mex.) has joined Senators Javits, Randolph, and Warren Magnuson (D-Wash.) as sponsors of S. 3425.

Library Service

Several bills to extend the Library Services and Construction Act, which expires June 30, 1971, have been introduced. One of these, S.3318, introduced by Senator Claiborne Pell (D-R.I.), Chairman of the Subcommittee on Education of the Senate Committee on Labor and Public Welfare on January 21, simply provides for a four year extension of all four titles of the Library Services and Construction Act to June 30, 1975. Title IV provides for grants to state institutions, including schools for the handicapped for library services and for grants through the state library agency specifically for library services for the handicapped.

Two other bills reflect the Administration's desire to convert financing for the Library Services and Construction Act to a bloc grant mechanism but vary from the Administration's recommendation in the financing formula. S. 3549, introduced by Senator Jacob K. Javits (R-N.Y.), ranking minority member of the Senate Committee on Labor and Public Welfare, consolidates the four titles of the Act into a single program authority and extends it for five years through June 30, 1976. As a result, only one state

plan would be required and separate specific authority for library services for the handicapped would be eliminated. This bill represents an effort to insure that each state agency charged with administering the state's libraries, will have maximum freedom to determine how federal support for library services would be most wisely spent.

H.R. 16365, introduced by Rep. William Ayres (R-Ohio), ranking minority member of the House Committee on Education and Labor, varies from S. 3549 in the formula for allocating funds to the states but preserves the bloc grants approach.

Organizations interested in library service programs for the blind and physically handicapped are concerned that the bloc grant approach will result in reduction or elimination of expenditures for library services for the handicapped, a program too new to have had a substantial impact on improvement of services.

Social Security

On May 4, the House Ways and Means Committee announced tentative decisions on provisions to be included in the Social Security bill. It is likely that the "clean" bill will be introduced and reported by the Committee by the middle of May and passed by the House of Representatives by the end of May.

Of special interest to readers in the Committee's action on the provisions of H.R. 3782, the bill introduced by Representative James Burke (D-Mass.) to provide disability insurance cash benefits to blind persons who have a minimum of six quarters in covered employment without regard to their employment status. The Committee decided to eliminate the requirement of 20 out of 40 quarters of covered employment for blind persons to be eligible for cash disability benefits. As a result, blind persons who are fully insured and who are not engaged in substantial gainful activity will be eligible for cash benefits. The definition of 'fully insured' varies with the individual from a minimum of six quarters in covered employment to 40 quarters.

Effective January 1, 1971, there will be an across-the-board increase of 5 percent in OASDI benefits for all categories of recipients. The taxable wage base will be increased from \$7,800 to \$9,000 per year, and the tax rate will become 5.2 percent each from the employer and employee until January 1, 1975 when it is scheduled to become 6 percent each. In 1980, the rate will become 6.5 percent for each.

The retirement test will be increased from \$1,680 per year to \$2,000 per year. This means that retired individuals will be able to earn \$2,000 and still collect all of their social security pension. For earnings between \$2,000 and \$3,200, social security pension will be reduced by \$1 for every \$2 earned and on a dollar for dollar basis for earnings above

\$3,200. Since the retirement test is used as a guide for determining substantial gainful employment for disability insurance purposes, under the new provisions a disability insurance beneficiary would be able to earn between \$1,000 and \$2,000 a year, a determination which varies from state to state, before being cut off the disability insurance rolls.

Widows and widowers would be entitled to 100 percent of the benefit of the deceased individual on whose wage record their own benefit is based instead of 82.5 percent at age 65. The benefit would be actuarially reduced to between 82.5 percent at age 62 and 100 percent at age 65 depending on the age at which the benefits are applied for. Widowers will be able to receive actuarially reduced benefits beginning at age 60 on the same basis as widows under present law. Special provisions for disabled widows, widowers, and surviving divorced wives, which are 50 percent of the primary insurance amount beginning at age 50, were not improved.

The Committee agreed to allow the combination of workmen's compensation and social security disability insurance benefits to equal 100 percent of the individual's average earnings instead of a maximum of 80 percent under the present law. In addition, individuals who become disabled between the ages of 18 and 22 would be eligible for childhood disability benefits now limited to those who become disabled before age 18.

The Committee also made several changes in the cash OASDI programs, including recomputation of retirement benefits for men based on average earnings to age 62 rather than age 65. In addition, the Committee made numerous changes in the Medicare-Medicaid programs. The most important of these will be covered in the next issue of the *WASHINGTON REPORT*.

EXECUTIVE BRANCH NEWS

Appointments

Appointment of Howard N. Newman as Commissioner of the Medical Services Administration in the Social and Rehabilitation Service (SRS) has been announced by Robert H. Finch, Secretary of Health, Education, and Welfare.

Mr. Newman will direct the Medicaid program which pays for medical care for over 10 million low-income people each year. Medicaid programs, supported by federal, state, and local funds, are now operating in 48 of the states and in the District of Columbia, Guam, Puerto Rico, and the Virgin Islands.

Prior to his appointment, Mr. Newman served as associate administrator of Pennsylvania Hospital, in Philadelphia, since 1965. He has been responsible for the

organization and operation of community health service programs, including a comprehensive neighborhood health and mental health center at the hospital. Since 1968, he also directed the development of a graduate program in health care administration at the Wharton School of Commerce and Finance on the University of Pennsylvania.

In 1967 Mr. Newman was appointed a White House Fellow, a post created to give "rising leaders from all fields one year of first-hand, high-level experience with the workings of the federal government and to increase their sense of participation in national affairs." He served with the Director of the Bureau of the Budget.



Before going to Philadelphia, Mr. Newman was on the administrative staff of Roosevelt Hospital in New York for eight years, serving as assistant vice president from 1961 to 1965.

The new Commissioner was born in New York on June 11, 1935. A graduate of Dartmouth (1956), Mr. Newman received his M.B.A. from the Amos Tuck School of Business Administration in 1957, and an M.S. in hospital administration from Columbia University's School of Public Health and Administrative Medicine, in 1959. He has completed most course work for a J.D. degree at the evening division of the Temple University School of Law. He is a fellow of the American College of Hospital Administrators and a member of the American Hospital Association and the American Public Health Association. He is the author of several articles published in professional journals.

Secretary Finch has also announced the appointment of Stephen P. Simonds as Commissioner of the Community Services Administration in the Social and Rehabilitation Service.

The Community Services Administration (CSA) was established as a major component of SRS in September

1969. It brings together in a single unit the administration of social service programs for children and adults, and is designed to provide a unified responsibility at the federal level for social services offered by state and local welfare agencies. CSA is expected to facilitate federal-state-local coordination, the development of more effective ways of getting needed services to disadvantaged people, and community-wide planning and coordination of services.

CSA has principal responsibility for programs of evaluation and referral of recipients of aid to families with dependent children (AFDC) for training and employment through work experience, education, and training, including the Work Incentive (WIN) program; comprehensive services to individuals and families, including child welfare services, and social services and family planning services for AFDC recipients; social services to the aged and the handicapped, including recipients of old age assistance (OAA) and aid to the permanently and totally disabled (APTD); and nationwide efforts to improve the organization and delivery of services.



Before his appointment as Commissioner of CSA, Mr. Simonds had served since December 1967 as Commissioner of the Assistance Payments Administration in SRS. He came to the Department from Maine, where from 1960 to 1967, he was Director of the Maine Bureau of Social Welfare, in charge of the state's program of public assistance, medical assistance, child welfare, work experience, community work and training, services to the blind, and other special services. For two years previously, he was a field supervisor for the Connecticut Department of Public Welfare. Earlier, he served for several years with the New Hampshire Department of Public Welfare.

Mr. Simonds was born November 25, 1924, in Franconia, New Hampshire. He served in the United States Navy during World War II. Continuing his education after

military service, he earned a B.A. degree at the University of New Hampshire in 1948, and an M.A. degree at the University of Chicago in 1953. He was also a Fulbright Scholar and studied at the University of Bristol in England from 1957 to 1958.

The appointment of John L. Costa, 44, as Commissioner of the Assistance Payments Administration in SRS has also been announced by Secretary Finch.

A native of Providence, Rhode Island, Mr. Costa will direct the federal-state public assistance programs which provide money payments to nearly 10 million low income people each month. The programs—aid to the aged, blind, disabled, and families with dependent children—are supported by federal, state, and local funds.

Mr. Costa had been First Deputy Commissioner, Department of Social Services, City of New York since 1968. As deputy commissioner of the largest local welfare system in the country, he had primary responsibility for administering child welfare and public assistance services, day care and children's centers, and special programs such as centers for alcoholism.

From 1964 to 1968, Mr. Costa worked in HEW's Region I office in Boston as Assistant Regional Representative for the old Bureau of Family Services and as Associate Regional Representative for the Assistance Payments Administration when SRS was formed.

Mr. Costa was on the administrative staff of the Connecticut State Welfare Department from 1960 to 1964; first as director of the Torrington District Office and then as director of the Hartford District Office. From 1951 to 1960, he worked for the Rhode Island Department of Welfare as a caseworker, senior social worker, district supervisor and area supervisor.

A 1955 graduate of the Boston University School of Social Work, Mr. Costa received his B.S. degree from the University of Illinois in 1950. He served in the U.S. Air Force from 1944 to 1946.

John D. Twiname, Administrator of the Social and Rehabilitation Service has announced the appointment of Robert A.H. Wilson as Assistant Administrator for Public Affairs. Mr. Wilson will be responsible for planning and directing a unified SRS public information program.

Since 1967, Mr. Wilson served as Director of Public Relations for the Susquehanna Corporation and Atlantic Research Corporation in Alexandria, Virginia. He held the same position with Atlantic Research from 1965 until its merger in 1967 with Susquehanna. Before joining the Atlantic Research Corporation, he was an Information Officer for the National Academy of Sciences in Washington, D.C.

Mr. Wilson has held various information posts with the U.S. Air Force, serving during 1951-55 as a public relations officer in the Office of the Secretary, where he was also project officer for the CBS-TV series "Airpower." From 1956 to 1959, he was Director of Information Services for the U.S. Forces in Britain and the Third Air Force in London, winning awards from the Defense Department and the British government for his work there.

Returning to the Pentagon in 1959, he spent the next few years as Special Assistant for Public Affairs to the Chief of Research and Development, USAF.

Born in St. Johns, Michigan, Mr. Wilson received a Bachelor of Journalism degree from the University of Missouri in 1950, and an M.A. in Political Science from Georgetown University in 1964.

New Publications

The Department of Health, Education, and Welfare has announced publication of *The Catalog of HEW Assistance*, a loose leaf compendium of fact sheets describing 368 assistance activities, organized in some 270 major HEW programs.

The catalog describes all assistance activities of the Department—grants, contracts, technical assistance, and direct cash benefits—which provide financial support and service to states, communities, organizations, and individuals.

Copies of the catalog may be purchased from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402. The price is \$5.50.

More than 1,500 educational projects that emphasize innovative techniques are described in a new reference manual published by the Office of Education.

The publication, *Pacesetters in Innovation*, is a cumulative issue containing information on Projects to Advance Creativity in Education (PACE) that was started during fiscal years 1966, 1967, 1968, and 1969 and were still in operation in 1969.

PACE is financed under Title III of the Elementary and Secondary Education Act, for which nearly \$165 million was appropriated in fiscal 1969.

Pacesetters in Innovation provides subject and geographic area indexes to help the reader locate a project. Brief resumes are included, along with instructions for ordering detailed description of some projects through the Educational Resources Information Center (ERIC), a central data system financed by the Office of Education. Up-to-date program information also is available from each local project.

The publication (OE-20103-69) may be purchased at \$5 per copy from the Superintendent of Documents.

New Education Unit

Establishment of a new Bureau of Libraries and Educational Technology in the Office of Education has been announced by James E. Allen, Jr., Assistant Secretary and Commissioner of Education in the Department of Health, Education, and Welfare.

Formation of the new bureau is another step in the reorganization of the Office of Education announced last summer. The Bureau will administer programs that provide federal assistance to public libraries, schools, and colleges for library construction, services, research, and training for the construction of educational broadcasting facilities, and the training of educational media specialists.

Dr. Allen named Don Davies as Acting Associate Commissioner for Libraries and Educational Technology. Dr. Davies, 43, also will continue to serve as Associate Commissioner for Educational Personnel Development. He became head of the Bureau of Educational Personnel Development upon its establishment two years ago.

Harold C. Lyon, Jr., 35, formerly Assistant Deputy Commissioner of Education, has been named Acting Deputy Associate Commissioner for the new Bureau. He is returning to the Office of Education after a leave of absence during which he held the Horace Mann Lectureship in Education at the University of Massachusetts (Amherst).



Washington Report

Irvin P. Schloss, Editor

American Foundation for the Blind

August 1970

CONGRESSIONAL ACTION

Education Appropriations

On June 25; the Senate passed H.R. 16916, the bill making appropriations for the Office of Education for fiscal 1971. The Senate increased appropriations from nearly \$4.2 billion as passed by the House to nearly \$4.8 billion. Appropriation items for programs for handicapped children are the same as those listed in the June 1970 *Washington Report* except for the earmarking of \$1 million of the \$35 million approved for grants to the states for programs for children with specific learning disabilities.

Social Security

The House of Representatives passed H.R. 17550, the Social Security Amendments of 1970, on May 21, after including provisions for automatic increases in both the taxable wage base and benefits in accordance with increases in the Consumer Price Index. Details of changes in the OASDI provisions under Title II of the Social Security Act were covered in the June 1970 *Washington Report*.

Most of the changes in medicare, medicaid, and maternal and child health provisions were designed to reduce high costs, especially in the first two programs. One important improvement would allow people reaching age 65 who are ineligible for hospital insurance benefits under medicare to enroll, on a voluntary basis, for hospital insurance coverage under the same conditions under which people can enroll under the supplementary medical insurance part of medicare, provided that those who enroll must pay the full cost of the protection—\$27 a month at the beginning of the program, rising as hospital costs rise. States and other organizations would be permitted to purchase such protection on a group basis for their retired employees age 65 or over.

Another change would allow individuals eligible for both Part A and Part B medicare coverage to choose to have care provided by a health maintenance organization (a prepaid group health or other capitation plan). The government would pay for such coverage on a per head basis not to exceed 95 per cent of the cost of medicare benefits provided to beneficiaries in the area not covered under the health maintenance organization. The Senate Committee on Finance heard from representatives of the Department of Health, Education, and Welfare for several days beginning

June 17. Public witnesses were tentatively scheduled around the middle of July. As the Committee also has before it H.R. 16311, the Family Assistance Act with modifications recommended by the Administration, it was not known at press time whether hearings would cover both measures.

Welfare Reform

In June, the Department of Health, Education, and Welfare submitted revisions of the Family Assistance Plan contained in H.R. 16311 to the Senate Committee on Finance in accordance with the Committee's request to remove disincentives to employment. The Family Assistance Plan (FAP) is designed to supplant Aid to Families with Dependent Children under Title IV of the Social Security Act and will include the working poor and families where the father is still in the home. The revisions exclude training allowances received in connection with vocational rehabilitation in the same way similar allowances under the Department of Labor programs were excluded from countable income.

FAP recipients will be given the option of receiving food stamps with their benefit checks on a check-off basis permitting the value of the stamps to be deducted from the checks. The President indicated that a health insurance plan would be submitted to the Congress early next year to supplant the medicaid program. He also indicated that separate legislation would be submitted to provide for more gradual phasing out of income limits for eligibility for public housing accommodation.

Title II of H.R. 16311 provides for the supplanting of the adult public assistance categories under Title I, X, and XIV by a mandatory Title XVI combining financial aid to the aged, blind, and disabled. Most of the revisions submitted by the Department eliminate social service provisions and financing in the light of the new proposed social service provisions submitted as Title XX of the Social Security Act. In addition, language assuring higher financial benefits to individual will receive at least \$110 a month but must receive higher benefits if these were already being paid in his state. Provision is made for the four state agencies for the blind in Delaware, Massachusetts, North Carolina, and Virginia to continue administering public assistance benefits for blind persons in their states under Title XVI.

The pass-along of \$4 per month of increased OASDI benefits is continued beyond the June 30, 1970 expiration

date. However, since action on H.R. 16311 was not completed in time, the Senate included an extension of this pass-along provision in H.R. 14720, a tariff bill. The House concurred in this amendment and sent the bill to the President on June 29. It was signed by the President early in July.

The proposed Title XX of the Social Security Act is entitled "Grants to States for Individual and Family Services and Consolidated Health, Education, and Welfare Plans". It supplants and expands social service and child welfare services under other provisions of the Social Security Act. Part A of Title XX contains the new consolidated services program, called "individual and family services," and part B proposes certain new authorities—granted pursuant to submission of a Consolidated Health, Education, and Welfare Plan—designed to permit the tailoring of the Department's services programs to fit local needs.

Part A of Title XX would authorize federal assistance for states which establish a comprehensive program of individual and family services. These services are defined to include the full range of family and child welfare services, services in support of manpower training and employment programs, foster care and adoptions services, self-care and protective services for adults, and temporary emergency assistance (both cash and emergency services). Payments for foster care (which must meet standards prescribed by the Secretary) may include payments for medical care which is not otherwise available, and adoption services have been broadly defined to include payments to adoptive parents to provide them with necessary assistance in meeting the medical or remedial needs of a child who is hard to place because of a physical or mental handicap.

Any individual or family in the state whose income does not exceed the poverty level is eligible for needed services, which must be provided without charge to the extent they are available. Persons with incomes above the poverty line may receive services on a fee basis, with the fee on a sliding scale related to income. Fees are not required, however, for persons receiving information, referral, follow-up or related services, protective services, or adoption or foster care services, and no person registered pursuant to the requirements of the Family Assistance Plan may be charged for any services in support of his training or employment program.

In order for a state to be eligible to participate in the Federally-assisted program, the governor must first divide the entire state into service areas. Secondly, he designates, to administer the program in each service area, either a state agency or a local prime sponsor (a unit of general local government in the service area, or a public agency designated by such governmental unit). However, in any city with a population of 250,000 or more, a "self-designation" option is available under which the chief elected local official may choose to designate that city as a service area and designate a local prime sponsor of his choice to

administer the program. Any agency or sponsor designated must be completely separate from an agency providing cash assistance, although they may be grouped as separate units within an "umbrella agency." The Secretary is directed to conduct an evaluation of each state's program of individual and family services at least every two years and to make available to the news media a report of his results and conclusions.

Separate authority is provided for a program of project grants and contracts for a wide range of activities related to individual and family services, including projects to plan for the establishment of the services programs, to achieve the coordinated provision of such services from all sources within the state, and to provide technical assistance, research, demonstrations, training, and evaluation. Funds may be provided for up to 90 percent of cost, and for 100 percent if the Secretary finds that full payment is necessary to successful implementation of the project.

A separate Government Assistance Program is established to provide aid to governors and the chief executive of cities, counties, and other general purpose local governments, and to tribal councils, to strengthen the capacity of their offices to plan, manage, and evaluate health, education, and welfare programs on an effectively coordinated basis. To this end, grants may be made to support comprehensive planning, evaluation, training of persons in employment related to such programs, technical assistance to agencies administering such programs, and systems analysis, including program budgeting and information systems.

A national adoption information exchange system is authorized to assist in matching children awaiting adoption with families seeking children. This program is to be carried out within the United States and on a cooperative basis with any other country. One million dollars is authorized for these activities.

Such sums as may be necessary are authorized to carry out the federal-state individual and family services program, and to support the various project grants and contracts authorized under Part A. From this basic appropriation, the Secretary will reserve 10 percent for project grants and contracts, Government Assistance grants, and evaluation. The remainder will be allotted according to a formula based in part on the state's share of federal service expenditures in fiscal 1971, and in part on the poverty population in the state. Not more than half of this 10 percent reserve may be spent under the Government Assistance Program.

Also, \$50,000,000 is separately authorized for fiscal 1972 (and such sums as may be necessary for the next three fiscal years) for allotments to assure more equal service expenditures by states which, in fiscal 1971, are below the national average. Finally, \$150,000,000 is separately authorized to be appropriated for foster care and adoption services. The foster care and adoption money is allotted on the basis of the child population in the state.

Federal matching is at the rate of 75 percent for individual and family services, including foster care and adoptions, except that (1) services in support of manpower activities are matched at 90 percent, (2) temporary emergency cash assistance is matched at 50 percent, and (3) \$300 per year per child receiving foster care is available without any requirement of a non-federal share. *All appropriations are closed-end* and are limited by the state's allotments, except that emergency cash assistance will be matched on an open-ended basis.

Part B would authorize the governor of each state to submit a single consolidated plan including his program of individual and family services and any one or more of his state's health, education, and welfare programs. Medicaid and cash public assistance programs are excluded. The plan must meet all the statutory requirements applicable to the state plans normally required for each included program, and must also designate an official or agency, reporting directly to the governor, to see that all necessary steps are taken to assure coordinated planning and administration of included programs. The governor is permitted to transfer up to 20 percent of the federal assistance available for one such program for use in one or more other included programs, so long as he does not increase the "receiving" program by more than 50 percent of the amount originally available to it.

EXECUTIVE BRANCH NEWS

Appointments

Elliot L. Richardson, 50, who has been Under Secretary of State in the present Administration, was confirmed on June 15 as Secretary of Health, Education, and Welfare. He succeeds Robert H. Finch, who joined the White House staff as a counselor to the President.

A graduate of Harvard College and Harvard Law School, he has, in the intervals between his periods of public service, practiced law in Boston. Upon graduation from law school, he became law clerk to the late Judge Learned Hand and then to the late Supreme Court Justice Felix Frankfurter.

In 1953 and 1954 Mr. Richardson served as assistant to Senator Leverett Saltonstall. He was appointed Assistant Secretary (for Legislation) of Health, Education, and Welfare by President Eisenhower in 1956 and served as Acting Secretary of the Department from April to July, 1958.

In 1959, President Eisenhower appointed Mr. Richardson United States Attorney for Massachusetts. In 1964, he was elected Lieutenant Governor of Massachusetts. In this position he coordinated the state's health, education, and welfare programs under Governor Volpe. He headed the Task Force which produced the Community Mental Health Act and developed a multi-service agency program. In 1966, Mr. Richardson was elected Attorney General of Massachusetts.



Mr. Richardson was sworn in as Under Secretary of State by President Nixon on January 24, 1969. As Under Secretary he has participated in meetings of the National Security Council and has been Chairman of the NSC Under Secretaries Committee. In addition, he has been Chairman of the Board of the Foreign Service, an inter-agency body, which is undertaking a major review of the organization and personnel structure of foreign service.

A former partner in the Boston law firm of Ropes & Gray, Mr. Richardson is a member of the Board of Overseers of Harvard College. He is also a member of the Board of Governors of the American National Red Cross by appointment of President Nixon. He is a member of the Council on Foreign Relations, a Fellow of the American Academy of Arts and Sciences, and a Fellow of the American Bar Foundation.

During World War II, Mr. Richardson served in the Army and went ashore with the 4th Infantry Division on D Day in Normandy. He was awarded the Bronze Star for Heroic Service and the Purple Heart with Oak Leaf Cluster. He and his wife, the former Anne F. Hazard, have three children and live in McLean, Virginia.

* * * * *

Dr. Edward F. Zigler, 40, was confirmed as Chief of the Children's Bureau in the Office of Child Development at HEW on the same day. He will also head the Office of

Child Development (OCD). OCD is a point of coordination for children's activities throughout HEW. In addition to the Children's Bureau, OCD administers Project Head Start, the preschool child development program for disadvantaged children. As head of OCD, Mr. Zigler succeeds Jule M. Sugarman, who has been Acting Chief since it was formed.

Sugarman is leaving government service to accept a post in New York City.

Zigler has been a professor of psychology at Yale University since 1959. He graduated from the University of Missouri, Kansas City, in 1954 and earned his doctorate from the University of Texas in 1958.

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Washington Report

Irvin P. Schloss, Editor

American Foundation for the Blind

October 1970

CONGRESSIONAL ACTION

Hearings on Programs for the Handicapped

Two bills designed to improve historic programs for blind persons were considered during two days of hearings on July 9 and 10 by the Special Subcommittee on Handicapped Workers of the Senate Committee on Labor and Public Welfare.

The bills, S. 2461 and S. 3425, were introduced by Senators Jennings Randolph (D-W.Va.) and Jacob K. Javits (R-N.Y.), respectively. Senator Randolph served as chairman of the subcommittee and presided at the hearings on both days.

S. 2461 would improve the Randolph-Sheppard Vending Stand Act for the Blind to provide for statutory establishment of vending facility sites in new and renovated federal buildings. It provides for arbitration procedures for aggrieved blind operators as well as for state licensing agencies which have disputes with agencies controlling federal property and also authorizes judicial review of disputes. The bill changes the words "vending stand" to "vending facility" to update the law in accordance with actual developments in the program and broaden the types of articles which may be vended. It also provides for exclusive assignment of vending machine income to blind operators and to the state program as a means of dealing with the inroad of vending machines operated for the benefit of local organizations of federal employees without legal sanction.

S. 3425 amends the Wagner-O'Day Act, which grants workshops employing blind persons a preference in the purchase of their products at fair market value by the federal government, to include products made by other types of severely disabled workers in workshops. First preference would still be retained by workshops for the blind. The bill also includes purchase of services for the federal government on a priority basis from workshops for the blind and for the severely disabled, with workshops for the blind retaining a preference for five years.

At the hearings, Dr. Edward Newman, commissioner of the Rehabilitation Services Administration, represented the Administration in testimony on S. 2461. He advocated a division of vending machine income between blind operators and government employee groups and opposed both the arbitration procedure for state licensing agencies and

the judicial review provision. He also advocated the use of set aside funds—the percentage of gross income which blind operators pay to state licensing agencies for various program purposes—to cover retirement and leave benefits for blind operators. The six national organizations of and for the blind which developed the provisions of S. 2461 had agreed not to alter the purposes for which set aside funds can be used.

Mr. Lee Donahue, executive secretary of the Committee on Purchases of Blind-Made Products, the group administering the Wagner-O'Day Act program, represented the Administration at the hearings and presented testimony on behalf of Heinz A. Abersfeller, chairman of the Committee. He advocated modernization of the terminology in the Act so that the term "brooms and mops" would be eliminated and recommended an annual authorization of appropriations to cover administrative costs of a staff needed to handle the expanded program. Witnesses representing the American Association of Workers for the Blind, American Council of the Blind, American Foundation for the Blind, Blinded Veterans Association, Goodwill Industries of America, International Association of Rehabilitation Facilities, National Council of State Agencies for the Blind, National Easter Seal Society for Crippled Children and Adults, National Federation of the Blind, National Rehabilitation Association, and the President's Committee on Employment of the Handicapped testified at the hearings. ACB and NFB opposed extension of the Wagner-O'Day Act to the other disabled.

At press time, the subcommittee had not yet ordered either of the bills reported. Subcommittee prints, which are working documents incorporating changes in the bills for the use of the members of the subcommittee in their consideration of action to be taken, indicate a favorable response to the basic provisions of the two bills.

Following completion of the Senate action, it will be necessary for appropriate House committees to act prior to consideration by the House of Representatives.

Postal Reform Legislation

On August 12, the President signed P.L. 91-375, the Postal Reorganization Act, which creates the U.S. Postal Service as a government corporation to replace the Post Office Department. The new service will come into existence within a year when its Board of Governors, which has not yet been appointed by the President, promulgates regulations in the *Federal Register*.

All of the free mailing privileges under existing law for the blind and physically handicapped who cannot use ordinary printed material are incorporated in the new law with the proviso that the Congress must annually appropriate the actual cost of matter mailed under these provisions. Special reduced-rate second and third class mailings, including those for nonprofit agencies, are to be phased out over a period of from five to 10 years.

During the hearings on Randolph-Sheppard vending stand legislation, it was revealed that the section of the then pending postal reorganization bills covering applicable laws had omitted reference to the Randolph-Sheppard Vending Stand Act. The effect of this would have been to exclude vending facilities operated by blind persons from property operated by the new Postal Service. With the assistance of Senator Randolph, who is a member of the Senate Committee on Post Office and Civil Service, and Representatives Thaddeus J. Dulski (D-N.Y.) and Robert J. Corbett (R-Pa.), chairman and ranking minority member of the House Committee on Post Office and Civil Service, this oversight was corrected in the conference to reconcile differences between the House and Senate-passed bills.

In addition, a special provision has been recommended for inclusion in the pending Randolph-Sheppard

legislation to prevent exclusion of vending facilities operated by blind persons on federal property controlled by any agency or corporation of the federal government.

Appropriations

P.L. 91-382, which makes appropriations for the Legislative Branch for fiscal 1971, includes \$7,598,000 for the books for the blind and physically handicapped program administered by the Library of Congress, an increase of \$601,000 over the appropriation for fiscal 1970.

On August 18, the bill making appropriations for the Office of Education for fiscal 1971 became Public Law 91-380 after the Congress overrode the President's veto. Items of special interest to readers were covered in the June and August issues of the *Washington Report*.

On June 23, the House of Representatives passed H.R. 18515, the bill making appropriations for the Department of Labor and the Department of Health, Education, and Welfare for fiscal 1971. Items of special interest appear in the table below. At press time, the Subcommittee on Labor-Health, Education, and Welfare Appropriations of the Senate Committee on Appropriations was meeting in executive session on this bill.

	1970 approved	1970 spent	1971 requested	House-passed
		(in millions)		
LABOR				
President's Committee on Employment of the Handicapped	\$.540	\$.540	\$.614	\$.614
HEALTH, EDUCATION, AND WELFARE				
Health Services and Mental Health Administration—Maternal and child health and welfare	282.354	277.890	255.339a	255.339a
National Institutes of Health				
—National Eye Institute	24.3425	22.836	25.686	30.986
—National Institute of Child Health and Human Development	76.949	74.174	93.303	94.436
Social and Rehabilitation Service				
—Grants to the states for public assistance	7,498.304	7,498.304	8,651.950	8,651.950
—Work incentive program	120.000	102.000	170.000	120.000
—Rehabilitation services and facilities	464.783	463.398	571.640	566.640
—Research and training	60.000	58.034	81.435	75.435b
—Cooperative research and demonstration projects	11.500	11.219	c	c
—Research and training (foreign currency)	2.000	2.000	7.000	4.000
—Programs for the aging	28.360	27.759	32.000	32.000
Special Institutions, American Printing House for the Blind	1.404	1.404	1.476	1.557d

Departmental Management, Office of Child Development	—	—	11.455	5.917
Related Agencies, Office of Economic Opportunity	1,948.000	1,948.000	2,080.200	2,046.200

- a. Does not include child welfare.
- b. Includes \$3.1 million for the National Center for Deaf Blind Youths and Adults, \$2.5 million for construction, and \$0.6 million for operation.
- c. 1971 request and appropriation included under "Research and training."
- d. Increase necessitated by coverage of private, nonprofit schools under P.L. 91-230, the Elementary and Secondary Education Act Amendments of 1970.

Unemployment Compensation

Public Law 91-373, the Employment Security Amendments of 1970, was signed by the President on August 10. The law makes mandatory coverage of nonprofit organizations employing more than four persons for 20 days in a calendar year with each of the 20 days occurring in a different calendar week. Exempted from coverage are handicapped individuals in training or remuneratively employed in sheltered workshops. A nonprofit organization is given the option of reimbursing the state unemployment compensation fund for costs directly attributable to it in lieu of paying the regular tax. Mandatory coverage of nonprofit organizations begins after December 31, 1971.

Welfare Reform and Social Security

After receiving repeated testimony from various Administration witnesses on H.R. 16311, the Family Assistance Act of 1970, the Senate Committee on Finance began hearing from public witnesses late in August. Also under consideration, in addition to the House-passed version of the bill, are the various Administration changes designed to meet objections of the Committee members and the new proposed Title XX of the Social Security Act covering individual and family services and consolidation of HEW programs. (See Washington Report, August 1970)

In a statement filed with the Committee, AFB opposed making Title XVI of the Social Security Act (aid to the aged, blind, and disabled) mandatory and recommended repeal of the provisions of the Public Welfare Amendments of 1962 which prevented states electing to receive federal funds under Title XVI from resuming administration of public assistance programs under Titles I, X, and XIV. AFB also recommended amendments to proposed Title XX to make it possible for state agencies for the blind to continue providing social services to blind persons in their states and to prevent the transfer of federal funds in a state from any service for blind persons to other HEW programs.

Other national agencies of and for the blind as well as several state agencies for the blind are taking this same position with regard to both Title XVI and Title XX.

Following conclusion of hearings on H.R. 16311, the Committee on Finance will begin hearing from public witnesses on H.R. 17550, the House-passed Social Security Amendments of 1970. Although final Congressional action this year on H.R. 16311 is difficult to predict, it can be expected that action on H.R. 17550 will be completed by the end of October.

EXECUTIVE BRANCH NEWS

Appointments and Resignations

HEW Secretary Elliot L. Richardson has announced the appointment of Robert E. Patricelli to the newly created post of deputy under secretary for policy coordination in a move designed to strengthen policy development and coordination within the Department and to give HEW the kind of coordinating staff capacity which the President has in the Domestic Council and National Security Council staffs.

Secretary Richardson said that Patricelli will be responsible for insuring the timely development of policy by the agencies within the Department, and for reviewing and coordinating that activity with the White House.

Under his policy coordination and review responsibilities, the deputy under secretary for policy coordination will review and analyze major policy papers prepared in HEW to insure that a full range of options and arguments is presented to the secretary.

Patricelli will also fill a vital role for the secretary in the advance planning and management of key policy initiatives. The secretary cited the development of the Family Health Insurance Plan, already announced in general form by the President, as an example of a project coordinated by Patricelli's office.

The new office and that of the counselor to the Department (Jonathan Moore) will be the principle HEW points of contact and follow-up on policy matters with the Domestic Council and other cabinet committees.

Before joining the Administration, Patricelli served from 1966 to 1969 as minority counsel of the Senate

Subcommittee on Employment, Manpower, and Poverty. He came to HEW in April 1969 as deputy assistant secretary for planning and evaluation, where one of his principal activities was to act as the Department's project manager for the Family Assistance welfare reform proposal. Patricelli is 30 years old.

Creed C. Black has resigned as assistant secretary of HEW for legislation to become editor of the *Philadelphia Inquirer*. The White House announced that President Nixon had accepted Black's resignation, effective September 1, with thanks for his work at HEW for the past 19 months.

HEW Assistant Secretary for Administration James Farmer has announced the appointment of Aaron C. Alexander, 51, as director of the Office of New Careers.

A resident of the District of Columbia, Alexander has extensive experience in social administration, education, social work, youth and adult corrections work, community action, and manpower training.

He formerly was with the Department of Labor where he served as director of the D.C. Manpower Administration's Work Incentive (WIN) Program, which has been referred to as the nation's model for such programs.

The Office of New Careers was established by former HEW Secretary Robert H. Finch to provide leadership and coordination in the new careers area. The Office will also coordinate the Public Service Careers, Plan-B programs, for HEW.

David D. Kinley, 28, of Oxnard, California, has been appointed deputy assistant secretary for community and field services for HEW.

He is charged with the task of identifying the target geographic and demographic areas that HEW has in common with other federal agencies to bring about a greater concentration of federal resources in those areas.

In addition, Kinley will assist the assistant secretary for community and field services, Mrs. Patricia Reilly Hitt, in her duties concerning Model Cities, the ten HEW regional offices, youth and student affairs, consumer services, and mental retardation. Kinley has served since August 1969 as executive assistant to Mrs. Hitt. Prior to this he had served as an assistant to former Secretary Finch.

John W. Evans, 42, has been appointed assistant commissioner for program planning and evaluation in HEW's Office of Education. He will serve as a key adviser in planning education goals, evaluating present education programs, developing new programs, and recommending action for improving American education. He succeeds Joseph N. Fromkin in the post and will report directly to the deputy assistant secretary deputy commissioner for planning, research, and evaluation.

For nearly three years Evans has been serving in the Office of Economic Opportunity (OEO) as chief of the

Evaluation Division. He began his government career in 1961 as a survey research analyst with the U.S. Information Agency (USIA) and three years later was named chief of the Latin American Research Division. Subsequently, he served USIA as a research coordinator and as acting deputy director for research before leaving to join OEO in July 1967.

Lee G. Burchinal, 42, has been appointed Assistant Commissioner for Educational Communication. Dr. Burchinal will direct the three-month-old National Center for Educational Communication (NCEC). The Center's main function is to disseminate the findings of educational research and development activities to the U.S. educational community and to help speed the adoption of improved educational practices by the nation's schools.

The Center is one of four units under the deputy assistant secretary for planning, research, and evaluation. The other three are: the National Center for Educational Research and Development (NCERD); the National Center for Educational Statistics (NCES); and the Office of Program Planning and Evaluation (OPPE).

Dr. Burchinal, who came to the office in 1965, is former director of the Office of Education's Division of Informational Technology and Dissemination. He previously held a research administration position in the Department of Health, Education, and Welfare.

The appointment of William T. Logan, Jr., to the newly-created position of regional commissioner of HEW's Office of Education in Philadelphia has been announced by Dr. Terrel H. Bell, acting U.S. commissioner of education.

Logan, 45, has been commissioner of education for the state of Maine since July 1, 1964. He will be the chief OE administrative officer in Region III, which serves the District of Columbia, Delaware, Maryland, Pennsylvania, Virginia, and West Virginia. Until last July 1, Region III headquarters were in Charlottesville, Virginia.

Regional commissioners of OE's nine other regions will be named soon. Presently, these regions are headed by regional assistant commissioners serving as acting regional commissioners.

HEW Programs Decentralized

Despite objections from various organizations, notably those in the mental health field, HEW is proceeding to decentralize various programs to allow administrative control by its ten regional offices. According to an article in the *Washington Post* of June 17, the deputy under secretary, Fred V. Malek, indicated that six programs are being fully decentralized and five are being partially decentralized. The six are: Project Headstart (already mainly decentralized), air pollution control planning, development of health services (such as neighborhood health centers and disease-control clinics), mental health center staffing,

short-term Public Health Service training, and migrant worker health projects. The five are: vocational rehabilitation, aging, child welfare, social work training, and Appalachian area demonstration project.

Mr. Malek indicated that all 260 HEW grant programs are being considered for decentralization, but that control of National Institutes of Health research grants and the peer-review system by which scientists review other scientists' applications will not be split up.

A letter issued by John D. Twiname, administrator, Social and Rehabilitation Service, HEW, stated that:

Effective August 1, 1970, the Social and Rehabilitation Service is placing responsibility for training grants management in the Regional Offices. The Regional Offices will work with educational institutions and organizations on developing new projects or renewals and recommend to the Central Office for approval of these types of grants. The Regional Commissioners of SRS will approve continuation grants in training programs funded by the Community Services Administration, the Rehabilitation Services Administration, Administration on Aging, Youth Development and Delinquency Prevention Administration, and the Office of Manpower Planning and Development. In the case of RSA grants, decentralization of training in rehabilitation counseling, rehabilitation social work, and rehabilitation of the mentally retarded will occur August 1, 1970. All other RSA-supported training will be decentralized October 1, 1970. . . .

This location of responsibility in the various Regional Offices throughout the country will provide more efficient and effective working relationships between educational institutions, organizations, and the Social and Rehabilitation Service programs. This means that educational institutions and the Regional Office will develop ongoing relationships so that decisions on grants at periodic points will be an outgrowth of continuing work with the universities. It is thought, too, that in the submittal of new applications that the educational institutions and the Regional Office staff will have an opportunity to develop together appropriate projects for funding in accordance with available funds, national priorities, and program policy.

Staff in the Central Office of SRS will continue to have responsibility for the development of program regulations, policy and the development of national priorities within the respective programs and within SRS. The Central Office staff will have responsibility for monitoring the activities of the Regional staff in carrying out the program policies and administration of the training grants. The Central Office also will provide consultation and technical assistance through the Regional Office and to educational institutions as needed.

Effective also is the discontinuation of the use of advisory committees for review of individual program applications, new, renewal, or continuation. SRS will establish a list of expert consultants to be available to staff in the Central Office and the Regional staff, if needed, in areas of program development, national priorities, and for review of a few selected individual applications which may require special technical assistance.

Witnesses on the Randolph-Sheppard Vending Stand Act Amendments and Wagner-O'Day Act Amendments are shown with Senator Jennings Randolph (D-W.Va.), chairman of the Special Subcommittee on Handicapped Workers, following the hearings. Left to right: Senator Randolph; Peter J. Salmon, Administrative Vice President, Industrial Home for the Blind; Dr. Douglas C. MacFarland, Chief, Division of Services to the Blind, RSA; and Irvin P. Schloss, Legislative Analyst, American Foundation for the Blind.



LAST MINUTE NEWS

On September 28, the Senate passed S 2461, the Randolph-Sheppard Act amendments, and S 3425, the Wagner-O'Day Act amendments, by a voice vote on the consent calendar.

It is hoped that the House of Representatives will complete action on these two bills before adjournment.

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Washington Report

Irvin P. Schloss, Editor

American Foundation for the Blind

December 1970

CONGRESSIONAL ACTION

Following a month long election recess, the 91st Congress reconvened on November 16 with a number of major bills still scheduled to be considered. Among them are several appropriations bills for the current fiscal year, including the Labor-HEW appropriations bill, as well as welfare reform, Social Security amendments, the Occupational Health and Safety Act, Library Services and Construction Act amendments, the Developmental Disabilities bill, and the Child Development Act. In addition, two Senate-passed bills of particular interest to readers—S. 2461, the Randolph-Sheppard Act amendments, and S. 3425, the Wagner-O'Day Act amendments—are expected to be acted upon by the House of Representatives.

Randolph-Sheppard Amendments

As passed by the Senate on September 28, S. 2461 would amend the Randolph-Sheppard Act as follows:

1. Change the term "vending stand" to "vending facility" to more accurately cover the wide variety of concessions operated on federal property by blind persons.
2. Define a vending facility to include various types of concessions, including vending machines.
3. Tighten the procedure for assignment of vending machine income.
4. Make it possible for the state licensing agency to license responsible and capable blind men and women who are under 21 years of age.
5. Authorize food, beverages, and other items—as may be determined by the state licensing agency—to be prepared on the premises.
6. Eliminate the one-year residence requirement as a prerequisite for licensing of blind concessionaires.
7. Require inclusion of sites for vending facility locations in the design, construction, or substantial alteration of federal buildings or those leased by federal agencies,

except for leased space where the lessor retains space for a restaurant or other establishment which would be in competition with a blind operator of a vending facility purveying food and other articles.

8. Expand the fair hearing mechanism for aggrieved licensed blind operators to include an arbitration procedure if there is a dispute which cannot be settled otherwise.
9. Provide for arbitration of disputes between agencies controlling federal property and state licensing agencies.
10. Authorize a blind person or state licensing agency to seek judicial review of any agency action if they are adversely affected by that action.

The House Committee on Education and Labor is being urged to act favorably on S. 2461 without additional hearings.

Wagner-O'Day Amendments

As passed by the Senate, also on September 28, S. 3425 would amend the Wagner-O'Day Act as follows:

1. Extend the Wagner-O'Day Act program, under which workshops employing blind persons are granted a preference in the purchase of their products at fair market value by the federal government, to include products made by other types of severely disabled workers in workshops, while retaining the preference for purchase of products made by the blind.
2. Include purchase of services for the federal government on a priority basis from workshops for the blind and for the severely disabled, with workshops for the blind retaining a preference until July 1, 1976.
3. Require workshops for the blind and workshops for the severely handicapped participating in the program to meet occupational health and safety standards specified by the Secretary of Labor.

4. Require workshops for the blind participating in the program to employ 75 percent direct blind labor in the production of commodities and provision of services; and require workshops for the severely handicapped to meet similar standards regarding direct severely handicapped labor.

The Subcommittee on Executive and Legislative Reorganization of the House Committee on Government Operations is planning to hold hearings on S. 3425. At that time, AFB and the American Association of Workers for the Blind will propose technical amendments of a perfecting nature designed to clarify definitions in the bill presently subject to ambiguous interpretation.

Vocational Rehabilitation

After the election recess, the Congress is expected to act favorably without hearings on H.R. 19401 or similar legislation to extend the existing authority for all sections of the Vocational Rehabilitation Act for one year until July 1, 1972. The purpose of this action is to allow congressional committees to hold extensive hearings on all aspects of the program during the 92nd Congress without the pressure of the current June 30, 1971, expiration date preventing thorough consideration.

Appropriations

On October 13, the Senate Committee on Appropriations reported H.R. 18515, the bill making appropriations for the Departments of Labor and Health, Education, and Welfare and the Office of Economic Opportunity. As reported, the bill contains appropriations totalling \$19,070,964,078—an increase of \$246,301,078 over the House-passed bill. Items of special interest are in Table I.

Welfare Reform and Social Security

Before recessing on October 14, the Senate Finance Committee announced tentative decisions on H.R. 16311, the Family Assistance Act, and H.R. 17550, the Social Security Amendments of 1970. The Committee defeated a proposal to report the Family Assistance Act provisions as part of the Social Security amendments and voted instead to approve a testing period for the Family Assistance Plan with further congressional action required before any new approach to welfare would be implemented. It is likely that the Committee will add the provisions of H.R. 16311 covering the adult public assistance categories (Titles I, X, and XIV) to H.R. 17550 before completing action on this legislation.

The Committee voted to increase cash benefits by 10 percent and to set the minimum cash benefit at \$100 a month. It also extended the "pass along" of \$4 a month

applicable to individuals receiving both Social Security and public assistance through December 31, 1971. In its tentative action on Medicare benefits, the Committee agreed to cover optometrist services under the supplementary medical insurance plan.

With regard to disability insurance, the Committee took the following tentative action:

1. Added a provision which reduces the waiting period for disability insurance benefits from six months to four months.
2. Increased the amount allocated to state vocational rehabilitation agencies from the disability insurance trust fund from one percent of annual disability insurance payments to 1.25 percent for calendar year 1972 and to 1.5 percent for calendar years 1973 and thereafter.
3. Added a provision authorizing disabled child beneficiaries to become re-entitled to cash benefits after unsuccessful work attempts if they become disabled again within seven years of termination of benefits.
4. Deleted the House bill change of existing law which increased the limit of combined payments under workmen's compensation and disability insurance from 80 percent to 100 percent of average earnings.

The Committee did not take action before the recess on the Hartke amendment concerning disability insurance for the blind.

Information Center for the Handicapped

On September 14, the Senate passed S. 3418, the Family Practice of Medicine Act of 1970, with an amendment containing the provisions of S. 4002, a bill introduced by Senator Bob Dole (R-Kans.) to establish a National Information and Resource Center for the Handicapped within the Department of Health, Education, and Welfare. The Select Subcommittee on Education of the House Committee on Education and Labor held hearings on H.R. 18286, a companion bill to S. 4002 introduced by Rep. Charles E. Bennett (D-Fla.).

The bill is designed to provide a single information and resource center in the federal government regarding programs for handicapped persons from which the handicapped themselves, members of their families, and professional workers can obtain authoritative information or adequate referrals. AFB and the American Association of Workers for the Blind supported H.R. 18286 in a written statement filed with the Select Subcommittee on Education.

TABLE 1. Items of special interest in H.R. 18515 as reported by the Senate Committee on Appropriations.

	1971 requested	House-passed (in millions)	Senate-reported
LABOR			
President's Committee on Employment of the Handicapped	\$.614	\$.614	\$.674
HEALTH, EDUCATION, AND WELFARE			
Health Services and Mental Health Administration—Maternal and child health	255.339	255.339	255.659
National Institutes of Health			
—National Eye Institute	25.686	30.986	30.986
—National Institute of Child Health and Human Development	93.303	94.436	94.436
Social and Rehabilitation Service			
—Grants to the states for public assistance	8,651.950	8,651.950	8,651.950
—Work incentive program	170.000	120.000	98.000
—Rehabilitation services and facilities	571.640	566.640	575.640
—Research and training	81.435	75.435	77.435a
—Research and training (foreign currency)	7.000	4.000	4.000
—Programs for the aging	32.000	32.000	34.000
Special Institutions, American Printing House for the Blind	1.476	1.557b	1.517b
Departmental Management, Office of Child Development	11.455	5.917	7.417
Related Agencies, Office of Economic Opportunity	2,080.200	2,046.200	894.400c

a. Includes \$3.1 million for the National Center for Deaf-Blind Youths and Adults, \$2.5 million for construction, and \$0.6 million for operation.

b. Increase over request necessitated by coverage of private, nonprofit schools under Public Law 91-230, the Elementary and Secondary Education Act Amendments of 1970. Senate decrease due to revised estimate of number of new children to be covered. The Senate reported level of funds will provide books and materials to approximately 21,500 children at a per capita cost of \$67.50.

c. Decrease reflects transfer of work and training activities funded at \$760.1 million to the Department of Labor and transfer of \$339 million in Headstart funds to the Office of Child Development (these funds were not included in the line item under OCD above).

EXECUTIVE BRANCH NEWS

LSCA Amendments

On September 21, the Senate passed S. 3318, which extends Titles I, II, and III of the Library Services and Construction Act through June 30, 1976. The bill consolidates Titles IV A and B covering grants to the states for library services at state institutions, such as hospitals, residential schools for the handicapped, and penal institutions, as well as library services to the handicapped under Title I with the proviso that not less than the amount appropriated for these purposes during fiscal year 1971 is to be used for them in the future. The appropriation for Titles IV A and B of the Library Services and Construction Act contained in Public Law 91-380, the law making appropriations for the Office of Education for fiscal year 1971, is \$2,094,000 for IV A and \$1,334,000 for IV B. The authorizations of appropriations provided in S.3318 for Titles I, II, and III are included in Table 2.

In addition, S. 3318 would also broaden Title I to include assistance for: special library services for disadvantaged persons; strengthening state library administrative agencies; and assistance to strengthen metropolitan libraries as national or regional resource centers. The bill also would change the percentages relating to the non-federal share of the cost of carrying out state plans. The minimum federal share under Titles I and II would be increased from 33 percent to 50 percent, and the Title III federal share would be increased from 50 percent to 100 percent.

A companion bill with virtually identical provisions, H.R. 19363, was pending before the full House Committee on Education and Labor at the time of the election recess after being acted upon favorably by the Select Subcommittee on Education.

Teachers for Handicapped

Grants totalling almost \$30 million will help approximately 20,000 persons train for work in the education of handicapped children, HEW's Office of Education has announced.

The grants have been awarded to 270 public and private nonprofit institutions of higher education and to state educational agencies in all 50 states, American Samoa, the District of Columbia, Puerto Rico, and the Virgin Islands. Anyone engaged in or preparing to engage in education for the handicapped is eligible to apply to a participating college, university, or state educational agency for a graduate fellowship or an undergraduate traineeship.

"These trainees will join approximately 124,000 specialists already working with the handicapped in expanding school programs throughout the country," said Edwin W. Martin, associate commissioner of the Bureau of Education for the Handicapped, which is responsible for directing the training program. "With less than half of the seven million handicapped pre-school and school-age children in our country now receiving specialized educational assistance, these new traineeships will help to close the gap between the needs of the handicapped and existing services.

"As a result of Federal programs authorized during the past few years," Dr. Martin continued, "more than 50,000 young people have been trained in special education careers. These advances in the number of personnel trained bring the promise of a richer future for handicapped children, new hope for their parents and teachers, and a more productive society."

The grants are supported with fiscal year 1970 funds and were made under Public Law 85-926, as amended. The

TABLE 2. Authorizations of appropriations provided in S. 3318 to extend the Library Services and Construction Act.

	FY 1972	FY 1973	FY 1974	FY 1975	FY 1976
	(in millions)				
Title I (grants to the states for library services)	\$112.000	\$117.600	\$123.500	\$129.675	\$137.150
Title II (grants to the states for library construction)	80.000	84.000	88.000	92.500	97.000
Title III (interlibrary cooperation)	15.000	15.750	16.500	17.300	18.200

funds will be expended between June 1, 1970 and August 31, 1971.

Fellows and trainees in full-time study receive a stipend depending on the level of study—junior-year traineeship, \$300; senior-year traineeship, \$800; master's-year fellowship, \$2,200; post-master's fellowship, \$3,200. An allowance of \$600 is provided for each dependent of a graduate fellow. Those participating in summer session training or special study institutes receive a stipend of \$15 per day while enrolled.

To help meet the cost of training, institutions of higher education and state agencies will receive up to \$2,200 for each senior-year traineeship, up to \$2,500 for each graduate fellowship, and up to \$75 a week for each summer session traineeship.

Simplified Welfare Eligibility

The Department of Health, Education, and Welfare has issued regulations requiring state welfare agencies to use a simplified method of determining welfare eligibility in adult public assistance programs. Effective July 1, 1970, the States must use the method for old age assistance (OAA), aid to the blind (AB), aid to the permanently and totally disabled (APTD), and the combined program of aid to the aged, blind, and disabled (AABD). States may phase the method into operation on a progressive area by area basis if they wish, but the method must be in statewide use no later than July 1, 1971.

Requiring use of a simplified method of determining eligibility is based on the successful results of a nationwide test of the method which began July 1, 1969. Objectives of the test were to see whether use of the method would achieve increased efficiency in administration while maintaining the validity of eligibility decisions; provide prompt, accurate payments to eligible persons, and release time for social workers to provide service.

Testing in the aid to families with dependent children (AFDC) program is still underway. No decision about statewide use of the method in the AFDC program will be made until the tests are completed and the results evaluated.

The regulations also require that states develop a plan to be carried out over a period ending July 1, 1973, directed to: (1) simplification of eligibility and procedural requirements; (2) further simplifications of application forms; (3) modernization of the payment mechanism; (4) appropriate training and utilization of staff; and (5) use of a state technical consultation panel.

New Medicaid Regulation

Freedom to choose among physicians, pharmacists, hospitals, nursing homes, and other providers of medical services is now the right of patients whose medical bills are paid by Medicaid.

Any individual eligible for Medicaid may obtain the services offered by his state's Medicaid program from any qualified institution, agency, pharmacy, or practitioner participating in the program. Included are organizations offering medical services on a prepaid or membership basis.

Medicaid, now in operation in 52 U.S. jurisdictions, provides medical assistance for more than 12 million needy and low-income individuals who are aged, blind, disabled, or members of families with at least one parent dead, absent, or incapacitated. Certain other needy families are included in many states. About half the total cost is borne by the federal government and the balance by state and local governments.

Puerto Rico, Guam, and the Virgin Islands, where most medical services are provided under federal auspices, are not required to grant freedom of choice to Medicaid patients until 1972. The freedom of choice requirement, one of the 1967 amendments to the Medicaid law (Title XIX of the Social Security Act) became effective elsewhere July 1, 1969, and is incorporated into the Code of Federal Regulations by publication in the *Federal Register* for June 5, 1970.

Special Education Progress Report

Approximately 225,000 handicapped children throughout the country received special educational services during the 1968-69 school year through grants of more than \$54 million provided by two federal programs, the U.S. Office of Education has reported. In addition, 41,000 staff members in special education programs received in-service training and 16,500 new staff members were employed with these grants under the provisions of Public Law 89-313, an amendment to Title I of the Elementary and Secondary Education Act of 1965, and Title VI-A of the same Act.

The programs are administered by the Office of Education's Bureau of Education for the Handicapped, which has issued a report summarizing educational accomplishments under this legislation. *Better Education for Handicapped Children, Annual Report Fiscal Year 1969—Aid to State and Local Schools* provides statistical details showing how federal funds were used to supplement state and local programs to help provide a wide variety of

services to handicapped children enrolled in public and residential schools of the 50 states, overseas areas, and the District of Columbia.

The handicapped benefiting from these grants and services include mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children who require special education.

Dr. Edwin W. Martin, associate commissioner of the Bureau of Education for the Handicapped said, "While this report describes the significant impact made with funds provided under Public Law 89-313 and Title VI-A, the majority of handicapped children in the United States are still not receiving the special educational services they require. A shortage of special education personnel and facilities still exists, since only 38 percent of the Nation's handicapped children are presently receiving any special educational services."

The report points out that the states are given considerable latitude in planning and implementing authorized special education activities. Among the various ways in which federal grants were used, the report lists employment and inservice training of teachers and teacher aides and other project staff members, preschool and work-study programs, parent counseling, diagnostic services, and house-parent workshops.

Washington Report is published bimonthly by the American Foundation for the Blind to report Congressional activity on legislation affecting blind persons and those who work with blind persons, as well as the action of the federal agencies administering related programs. AFB national headquarters are at 15 West 16th Street, New York, N.Y. 10011, (212) 924-0420. A local office is maintained at 1660 L Street, N.W., Suite 213, Washington, D.C. 20036, (202) 293-1870. All material appearing herein may be quoted in whole or in part provided credit is given the source.

The report includes citations from many states showing how Public Law 89-313 and Title VI-A have made an affirmative impact on the education of handicapped children. For example:

—New York State reported that during 1969 special education for emotionally disturbed children made its greatest increase in local school districts in all the years of federal funding, with 43 new projects serving handicapped children.

—Illinois reported that for the first time the state is providing preventive education by bringing projects for early identification of hearing impaired children into the local school districts.

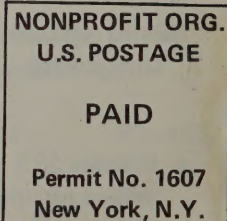
—Florida is using some of its grant funds for a special playground where innovative evaluation techniques for education of physically and perceptually handicapped children are being developed.

—Oklahoma reports that the impact of the use of these funds prompted the state legislature to appropriate \$200,000 in 1969 to enable local school districts to establish 40 new classes for the handicapped.

—North Dakota reported that pilot and innovative projects stimulated local agencies to become involved in helping children with special learning disabilities.

WASHINGTON REPORT

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